

117TH CONGRESS  
1ST SESSION

# S. 1204

To promote competition in digital markets, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

APRIL 19, 2021

Mr. HAWLEY introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To promote competition in digital markets, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Bust Up Big Tech  
5       Act”.

6       **SEC. 2. STRUCTURAL SEPARATION REQUIREMENTS FOR**  
7                   **TECHNOLOGY PLATFORMS.**

8       (a) DEFINITIONS.—In this section:

9                   (1) BACK-END ONLINE SERVICES.—The term  
10          “back-end online services” means third-party inter-  
11          net infrastructure services, including domain name

1 resolution services, DDoS and other cyber threat  
2 mitigation services, content delivery networks and  
3 other load management techniques, and internet  
4 backbone networks.

5 (2) COMMISSION.—The term “Commission”  
6 means the Federal Trade Commission.

7 (3) COVERED PERSON.—The term “covered  
8 person”—

9 (A) means a person that is in the business  
10 of offering an online platform to connect third  
11 parties to an online marketplace, exchange, or  
12 search engine which—

13 (i) in any month during the most re-  
14 cently completed 12-month period—

15 (I) more than 30,000,000 users  
16 in the United States accessed, without  
17 regard to the means by which the  
18 users accessed the service; or

19 (II) more than 300,000,000  
20 users worldwide accessed, without re-  
21 gard to the means by which the users  
22 accessed the service; and

23 (ii) during the most recently com-  
24 pleted taxable year, had more than  
25 \$1,500,000,000 in global revenue; and

(B) does not include an organization described in section 501(c) of the Internal Revenue Code of 1986 that is exempt from taxation under section 501(a) of such Code.

17 (b) PROHIBITIONS.—

## 18 (1) ONLINE SALES PLATFORM.—

24 (B) TARGETED PROHIBITION ON AFFILI-  
25 ATES.—Not later than 1 year after the date of

1           enactment of this Act, any affiliation, common  
2           ownership, or control by a covered person of an  
3           entity that operates, sells, or advertises goods  
4           and services on the online platform of the cov-  
5           ered person shall be terminated or otherwise  
6           liquidated.

7           (C) TARGETED PROHIBITION ON ACQUISI-  
8           TIONS.—A covered person shall not acquire or  
9           hold a controlling interest in any entity that  
10          would sell, advertise, or otherwise promote  
11          goods and services on an online platform owned  
12          or operated by the covered person.

13          (2) ONLINE HOSTING AND BACK-END ONLINE  
14          SERVICES.—

15          (A) IN GENERAL.—A covered person may  
16          not provide online hosting services or back-end  
17          online services to any other entity that is not  
18          owned by the covered person.

19          (B) TARGETED PROHIBITION ON AFFILI-  
20          ATES.—Not later than 1 year after the date of  
21          enactment of this Act, any affiliation, common  
22          ownership, or control by a covered person of an  
23          entity that provides online hosting or back-end  
24          online services to another entity not owned by

1           the covered company shall be terminated or oth-  
2           erwise liquidated.

3           (C) TARGETED PROHIBITION ON ACQUISI-  
4           TIONS.—A covered person may not acquire or  
5           hold a controlling interest in any entity that  
6           provides online hosting or back-end online serv-  
7           ices not owned by the covered company.

8           (3) EXCEPTION.—Paragraphs (1) and (2) shall  
9           not apply to the operation of an online platform for  
10          any person that exclusively sells, advertises, or oth-  
11          erwise promotes the goods and services of the per-  
12          son.

13          (c) AUTHORITY OF THE COMMISSION.—The Commis-  
14          sion may—

15           (1) hire sufficient staff (whether on a part-time,  
16           full-time, or contract basis) to monitor compliance  
17           with subsection (b); and

18           (2) design and supervise annual audits for each  
19           covered person to ensure compliance with this Act  
20           and the amendments made by this Act.

21          (d) ENFORCEMENT BY STATE ATTORNEYS GEN-  
22          ERAL.—

23           (1) IN GENERAL.—In any case in which the at-  
24           torney general of a State has reason to believe that  
25           an interest of the residents of that State has been

1 or is threatened or adversely affected by the engage-  
2 ment of any entity in a practice that violates sub-  
3 section (b), the State, as parens patriae, may bring  
4 a civil action on behalf of the residents of the State  
5 in a district court of the United States or a State  
6 court of appropriate jurisdiction to—

7                     (A) enjoin that practice;  
8                     (B) enforce compliance with such section;  
9                     (C) on behalf of residents of the State, ob-  
10                   tain damages, statutory damages, restitution, or  
11                   other compensation, each of which shall be dis-  
12                   tributed in accordance with State law; or  
13                   (D) obtain such other relief as the court  
14                   may consider to be appropriate.

15                 (2) REQUIREMENT.—Before filing an action  
16                 under paragraph (1), the attorney general of the  
17                 State involved shall submit to the Commission—  
18                     (A) written notice of that action; and  
19                     (B) a copy of the complaint for that ac-  
20                   tion.

21                 (e) PRIVATE RIGHT OF ACTION.—

22                 (1) IN GENERAL.—Any person who suffers an  
23                 injury as a result of an act or practice of a covered  
24                 person in violation of subsection (b) may bring a

1       civil action against the covered person in any court  
2       of competent jurisdiction.

3           (2) RELIEF.—In a civil action under paragraph  
4       (1) in which the plaintiff prevails, the court may  
5       award the plaintiff not more than \$1,000,000 per  
6       each violation per plaintiff.

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